

**Behring Sea Arbitration.**  
Early in the present year an agreement was reached with Great Britain concerning instructions to be given the naval commanders of the two governments in Behring sea and the contiguous North Pacific ocean for their guidance in the execution of the award of the Paris tribunal of arbitration and the enforcement of the regulations therein.

[illegible]

The first day of November 1891, the total stock of money of all kinds in the country was \$2,567,736.35, as against \$2,314,631.10 on the first day of October 1891. In 1891, and the money of all kinds in circulation or not included in the treasury holdings was \$1,729,938.42 or 67.37 per cent. from an estimated population of 57,867,015. The gold coin and bullion in the treasury on the first day of November 1901, and up to that time there had been purchased during the final year 1,917,658.75 fine ounces at a cost of \$748,381.32. The average cost of 59.711 cents per ounce. The total amount of silver purchased from the time that law took effect until the removal of the purchasing clause on the date last mentioned was \$1,053,532.55 and 100 millionths of an ounce at 61.022 cents the average price per ounce but in \$2,424. The total cost of standard silver dollars coined at the mints of the United States since the passage of the act of February 22, 1890, and the act of March 3, 1891, under the provisions of that act, \$28,331.45 were coined under the provisions of the act of July 4, 1890, and \$,978,476 under the act providing for the purchase of silver from the treasury. The total cost of all metal of our mints during the fiscal year consisted of 68,852,235 pieces, valued at \$108,256,730.95 of which there was \$44,912,912.90 in gold coined.

**Pensions.** The barefaced and extensive pension frauds exposed under the courageous and generous veteran soldier now at the head of the bureau leaves no room for the slightest doubt that a pension reform bill now pending in congress would be needed or that continued vigilance and prompt action are not necessary to the same end. The accusation that an effort to detect pension fraud is evidence of an unfriendly attitude toward the military veterans and a denial of their claims to the generosity of the government, suggests an unfortunate indifference to the commission of any offense which has for its motive the securing of a pension on unduly easy terms. The law is not intended to reward the unscrupulous and the lawless, but to reward the brave and the patriotic.

**the Gold Reserve.**

During the last month the gold reserves in the treasury for the purpose of redeeming the notes of the government circulating as money had been reduced to a point where the government and its further depletion in the near future seemed so certain that in the exercise of proper care for the public interest it became necessary to suspend the redemption of the notes and to maintain the reserves and thus maintain popular faith in the ability and determination of the government to meet its sacred, its pecuniary obligations. It is a question of the honor of the government and the only authority has existed to issue the bonds of the government bearing a low rate of interest and making the bonds of the government. The government having failed to confer such authority recent was necessarily had to the resumption act of 1875, and pursuant to its provision the government was authorized to issue bonds of the government bearing a low rate of interest and making the bonds of the government.

Another very important feature of this plan is the exemption of state banks from taxation by the United States in cases where it is shown that the banks are not connected with the treasury and complicit in the currency, say banks claiming such exemption that they have not had outstanding their circulating notes exceeding seventy-five per cent of the value of the bonds and securities held by their stockholders are individually liable for the redemption of their circulating notes to the full extent of the ownership of stock that the liability of such banks upon their assets is not limited to the amount of their stock under their state law a first lien upon their assets that such banks have kept and maintained a guaranteed fund in United States legal tender notes equal to every dollar of the equal to the fifty per cent of their outstanding circulating notes, and that such have promptly redeemed their circulating notes when presented at their principal offices.

It is quite likely that this scheme may be usefully amended in some of its details, but I am convinced it furnishes a basis for a very real improvement in our present banking and currency system.

I conclude this communication. Truly appreciating that the responsibility for legislation affecting the people of the United States rests with Congress, I am, nevertheless, anxious to assure them that whatever experience with recommendations I have made or not I shall be glad to cooperate in perfectly any way in connection with the prosperity and welfare of our people.

(Signed) GROVER CLEVELAND  
Executive Mansion, December 3, 1891

Mother--The doctor says you must eat meat and fruit. Sick Roy--Well, give me some mince pie.